

2019 Medical Malpractice Statistical Summary

Settlement data submitted by attorneys

Lawsuits with final disposition from Jan. 1, 2015 through Dec. 31, 2019

June 2020

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Introduction

In 2006, the Washington state Legislature enacted comprehensive health care liability reform,¹ requiring attorneys to report medical malpractice settlement data to the Office of the Insurance Commissioner (OIC). Each year, the OIC must post summary statistics about medical malpractice lawsuits that are resolved.² RCW 7.70.140 does not have tools for the OIC to use to make attorneys report data. Voluntary compliance has been poor and data in this summary are incomplete. The OIC cannot draw conclusions from incomplete data, so this statistical summary is limited to calendar-year statistics.

There are two types of data displayed in this statistical summary:

- Total paid indemnity: Total compensation paid by all defendants to the claimant stemming
 from a lawsuit. Indemnity payments may come from several defendants if a lawsuit named more
 than one party.³
- **Legal expenses**: All sums paid by the claimant to the attorney to prosecute the claim, including attorney fees, expert witness fees, court costs, and all other legal expenses.⁴

¹ HB 22<u>92 - 2005-06</u>

² RCW 48.140.040(2). On Feb. 4, 2020, Insurance Commissioner Mike Kreidler notified the Legislature that the OIC would post statistical summaries by June 1.

³ WAC 284-24E-150

⁴ RCW 7.70.140(2)(b)(v).

Key 2019 medical malpractice lawsuit statistics

- Attorneys reported that six lawsuits were resolved with paid indemnity in 2019.
- In cases where indemnity payments were made to the claimant, average compensation to the claimant was \$723,333.
- Average attorney fees were \$274,504.

Calendar year comparison

Attorneys reported these data for the five-year period ending Dec. 31, 2019.5

	Calendar year				
	2015	2016	2017	2018	2019
Settlements reported by attorneys	48	42	34	31	8
Total legal expenses	\$29,587,503	\$25,273,923	\$11,347,914	\$18,714,718	\$2,099,771
Average legal expense per lawsuit	\$616,406	\$601,760	\$333,762	\$603,701	\$262,471
Number of lawsuits with paid indemnity	45	40	31	31	6
Total paid indemnity	\$74,777,000	\$61,564,825	\$27,239,000	\$42,872,870	\$4,340,000
Average indemnity payment	\$1,661,711	\$1,539,121	\$878,677	\$1,382,996	\$723,333
Number of lawsuits with attorney fees	44	37	29	30	6
Total attorney fees	\$26,103,809	\$22,847,061	\$9,520,746	\$16,574,797	\$1,647,025
Average fee paid to attorney	\$593,268	\$617,488	\$328,302	\$552,493	\$274,504
Average fee ÷ average indemnity	35.7%	40.1%	37.4%	39.9%	37.9%

Number of resolved lawsuits: Attorneys submitted eight reports about medical malpractice lawsuits that were resolved in calendar year 2019, a 74.2% decrease from the previous year.

Indemnity payments to claimants: In 2019, attorneys reported six lawsuits in which a claimant received compensation. Payments totaled \$4.3 million, or an average of \$723,333 per reported payment. The average indemnity payment decreased 47.7% compared to 2018.

Total legal expenses: Claimants must pay fees and costs to file a lawsuit regardless of whether they receive a settlement. In 2019, claimants paid \$2.1 million in legal expenses to resolve eight lawsuits, or an average of \$262,471 per reported lawsuit.

Attorney fees: Claimants pay attorney fees based on their contracts, and these fees are related to the total indemnity paid to the claimant to resolve the lawsuit. For 2019, attorneys reported six settlements with average attorney fees of \$274,504.

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⁵ Data submitted by attorneys as of April 27, 2020.